

RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 11:30 a.m., with Senators permitted to speak therein for not to exceed 5 minutes each. Under the previous order, the time between 9:30 and 10:30 a.m. shall be under the control of the Senator from North Dakota, Mr. DORGAN, or his designee.

The Senator from North Dakota is recognized.

THE PRESIDENT'S BUDGET

Mr. DORGAN. Mr. President, there will be an opportunity this morning for Members of the Senate to discuss the President's submission of his budget to the Congress yesterday.

The way the process works in our country is the President proposes a budget that contains his recommendations for spending priorities. And then the Congress deals with these recommendations in that way that Congress deems appropriate. The budget that the President proposes, and the budget that the Congress finalizes, reflect what we think the priorities are for our country.

It is certain that 100 years from now none of us will be here; 100 years from now we will be gone from this Earth. But if historians want to learn 100 years from now about who we were, and what we were, and what we felt was important to us, and what our priorities were, they could look at the Federal budget document and evaluate our spending priorities. What did we think was important? What did we invest in, in order to achieve a better future for ourselves or our country? And they could determine by our decisions about investment and spending what we held dear as a country.

This President has proposed a budget that is vastly changed from the budgets we have seen in recent years. When I came to the Congress in 1981, in the House of Representatives, a new President was assuming office here in town, President Ronald Reagan. He had a completely different vision of fiscal policy.

He was supported by an economic theory that suggested if you had very large tax cuts, you would still achieve larger amounts of revenue and you could actually balance the budget with large tax cuts. And so he proposed with his Office of Management and Budget guru, Mr. David Stockman, a series of budgets that proposed very significant tax cuts and a doubling of the defense budget.

And President Reagan's economist and others, particularly an economist

named Arthur Laffer, who developed a Laffer curve, said this would all work out OK. They said you can provide significant tax cuts, double defense spending, and it would all come out just fine.

In fact, that fiscal policy created a mountain of debt that began to choke this country. The President and Congress in combination embarked on a fiscal policy that was reckless. In fact, David Stockman, the chief strategist of it, said so in his book.

It took a long while to get through all of that, and even through the end of the 1980s and into the early 1990s the Federal budget deficit was climbing and climbing at an alarming rate.

President Clinton came to office in 1993 and said we are going to change that. And he presented the Congress in 1993 with a proposal to reduce the Federal budget deficit. As fiscal policy his proposal was tough, tough medicine.

And by one vote in the Senate and one vote in the House it passed. Some of my colleagues who voted for that are not here any longer because it was tough and controversial. But it put this country on the right road. Over a period of 5 years the budget deficit has come down, down, way down.

And some of my colleagues are unwilling to accept the fact that there is a cause-effect relationship between the actions you take to reduce this budget deficit and the results you get. But it is inevitable, if you look at the facts, to conclude that what this President and what this Congress did in 1993 to set this country on the right track has put us in the position today where we have a budget submitted to the Congress that wrestles that budget deficit to the ground and then says, as far as the eye can see in the years ahead, there is good news.

And the good news is that this economy is working. It's working better for the American people. I do not want to attribute it all to one person or one party. That is not the case. Last year we had a bipartisan budget agreement between Republicans and Democrats and that helps as well, and both parties ought to be credited for that.

But my point is I watched yesterday some people react to the President's budget submission, and it was the same cranky old tune you have heard from them every single year. It sounds like they have a permanent toothache. Nothing on Earth can make them satisfied or happy.

Let me see if I can help them out. Let me try to explain why the American people feel differently. Here is what makes the American people feel good about the direction we are heading.

The Federal budget deficit, as I said, has been down, down, way down now for 5 years in a row. And the deficit is almost nonexistent—not quite yet, but it will be.

Inflation is almost nonexistent. Inflation has come down, down, down. It is the lowest it's been since 1986. Housing starts are up substantially. In 1996

they totaled 1.47 million housing starts. That is the largest number of housing starts in this country since 1988. And what we know so far about 1997 tells us that the figures for all of last year will be even higher.

Mr. President, 14 million people are working now that were not working in 1993. Unemployment is down. I can recall when the Federal Reserve Board, that friend of mine, that institutional friend of mine, said if unemployment ever goes below 6 percent are we in for trouble; we are in for a huge wave of inflation. The Federal Reserve Board has been wrong, it has been consistently wrong about that. Unemployment is now at 4.7 percent, and inflation has not gone up, it has gone down.

Crime? The crime rate has gone down at the same time. This President said let's put 100,000 new police officers on the street. Let's put new cops on the street, on the beat. Guess what is happening. As our economy strengthens, and as more people are working, we have a lower crime rate. Since 1993, violent crime has dropped 16 percent. Robberies are down, assaults are down, the murder rate is down by over 20 percent, burglary is down. That is good news.

Welfare? In the last 4 years we have seen the largest decline in the welfare rolls in the history of this country. There are 2 million fewer people on welfare today than there were in August 1996, when we enacted welfare reform. I might say that this was a bipartisan accomplishment: Republicans and Democrats in the Congress joined to pass a welfare reform bill. I supported it as did many of my colleagues on both sides of the political aisle. A good economy plays a major role in this, but the welfare reform bill also set us on the right track.

Child support collections are up 50 percent after this Congress passed legislation cracking down on deadbeat dads who decide their children are not their responsibility and that the taxpayers should pay for them. The increase in collections is good news. Child support payments are up 50 percent.

Access to health care for millions of Americans? Because of last year's action, 5 million American children without health care will get health care.

Medicare? In the work that we have done to provide long-term stability for Medicare much, much more needs to be done, but we have done a great deal already.

I have more to say and I will in a bit, but I notice the minority leader, Senator DASCHLE, is on the floor. Let me yield whatever time Senator DASCHLE might use of the hour.

The PRESIDING OFFICER. The distinguished Democratic leader is recognized.

Mr. DASCHLE. I thank my colleague for his leadership and his usual eloquence. I want to associate myself with his remarks this morning. I appreciate very much his calling attention to the